

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Carrier Oversight and Programs Branch**

**RESOLUTION T-17490
December 3, 2015**

R E S O L U T I O N

RESOLUTION T-17490, Siskiyou Telephone Company (U-1017-C), Requests Authority to Change its Schedule A-11 Tariff to Delete Obsolete Billing Terms and Clarify the Application of Mileage Rates to Off-Customer Premises Extension Station Access Service.

By Advice Letter 397-A filed on August 12, 2015.

SUMMARY

This Resolution approves Siskiyou Telephone Company's (Siskiyou) request to change its Schedule A-11 tariff to delete obsolete terms that are no longer used for billing purposes, and to clarify the application of mileage rates associated with Off-Customer Premises Within Exchange Area service (OPX Within), as modified by proposed text in the tariff's "Rates" and "Special Conditions" sections. The associated mileage rates for this service do not change.

BACKGROUND

Siskiyou defines in its tariffs under Rule No. 1 "Definitions" that the term "Base Rate Area" refers to "a more closely built-up section of the exchange area in which the base rates apply without mileage charges." On December 16, 1992, the California Public Utilities Commission (Commission)—in Resolution T-15170—approved Siskiyou's Advice Letter (AL) 202 filed on November 2, 1992, which proposed to eliminate network access line mileage charges associated with Base Rate Area billings.

In doing so, the Resolution approved recovery of reduced revenues associated with the elimination of Base Rate Area mileage charges through a 13.05% adjustment of the billing surcharge/surcredit in effect at that time, resulting in revenue neutrality. Given that Resolution T-15170 approved the elimination of Base Rate Area mileage charges, Siskiyou subsequently submitted compliance AL 202-A on December 20, 1992,

to reflect the elimination of mileage charges associated with the Base Rate Area billing term. Despite this action, the term itself remained on Siskiyou's Schedule A-11 tariff, with associated text showing that the Base Rate Area mileage charge was eliminated and equaled zero. Additionally, the A-11 tariff has continued to list mileage rates associated with Off-Customer Premises Outside Exchange Area service (OPX Outside) despite the fact that this service is no longer applicable, having been discontinued by the Commission in Resolution T-16006, on April 23, 1997.

Therefore, only mileage rates associated with OPX Within service should remain in the A-11 tariff. Rates associated with this service are itemized by each extension station access or private branch exchange (PBX) station access as defined:

1. Where the terminals are in different buildings on the same continuous property: each one-quarter mile or fraction thereof;
2. Where the terminals are on non-continuous property: first one-quarter mile or fraction thereof;
3. Each additional one-quarter mile or fraction thereof.

All rates associated with OPX Within service remain the same, but Siskiyou is requesting clarifying text changes applicable to this service on the Rates and Special Conditions sections of the A-11 tariff. More specifically Siskiyou requests that references to Basic Rate Area and OPX Outside service be removed from the Rates section of the schedule. Further, Siskiyou requests text changes to the Special Conditions section of the tariff, to properly reflect that mileage charges no longer refer to Base Rate and OPX Outside service, and are now associated only with OPX Within Exchange Area service.

To make these changes, Siskiyou submitted AL 396 on May 28, 2015, requesting approval to eliminate the designation "Base Rate Area" from the Schedule A-11 tariff and to clarify the application of mileage rates to OPX Within service, as itemized in the tariff. Siskiyou also submitted changes to the list of effective sheets and revisions in its General tariff.

Siskiyou originally filed AL 396 under General Order (G.O.) 96-B, Telecommunications Industry Rules, Industry Rule (Industry Rule) 7.2 as a Tier 2 AL. Communications Division (CD) staff reviewed AL 396 and determined that Tier 2 is not the appropriate tier for this AL, as it requests a change to a term of service. Staff's

review indicated that the AL falls under G.O. 96-B Industry Rule 7.3, Matters Appropriate to a Tier 3 Advice Letter, Section 4, which states “A change by a GRC-LEC to a rate, charge, term, or condition, which change has been noticed in compliance with G.O. 96-B Industry Rules 3 and 3.3 (as applicable).” Matters appropriate to a Tier 3 AL require that the Commission address the AL with a Resolution. Accordingly, on June 4, 2015, CD notified Siskiyou that AL 396 should be withdrawn and submitted as a Tier 3 AL. In compliance with CD’s request, Siskiyou submitted AL 397 as a Tier 3 AL on June 8, 2015 and withdrew AL 396 on June 9, 2015.

On June 10, 2015, CD suspended AL 397 in abeyance of the requested September 1, 2015 tariff approval date, so that staff could prepare a resolution for Commission adoption. In reviewing AL 397, CD found that Siskiyou needed to provide additional details regarding its request to remove billing detail designations, and specifics of proposed text changes to the Special Conditions Section for OPX Within service for the A-11 schedule. After further discussion with CD about this issue, Siskiyou submitted supplemental AL 397-A on August 12, 2015 to provide additional details and clarify its request.

NOTICE/PROTESTS

On August 12, 2015, Siskiyou sent copies of AL 397-A, which superseded AL 397 replacing the withdrawn AL 396, to the service list of utilities and interested parties in compliance with G.O. 96-B Industry Rule 10. Notice of AL No. 397-A was published in the Commission Daily Calendar on August 21, 2015. No party submitted a protest.

DISCUSSION

In AL 397-A, Siskiyou requests an updated October 1, 2015 tariff approval date to eliminate the Base Rate Area and also the OPX Outside service designations on the Schedule A-11 tariff, while clarifying the application of mileage rates associated with the remaining OPX Within service in the Special Conditions section of the A-11 tariff, by itemizing changes to each of the Special Conditions of which text change is requested. Additionally, Siskiyou submits changes to the list of effective sheets and revisions in its general tariff. Though G.O. 96-B Industry Rule 7.3 refers to notice under G.O. 96-B Industry Rule Sections 3 and 3.3, Siskiyou states that no customer notice of these changes is required, as the proposed changes in the tariffs’ terms do not make Schedule A-11 more restrictive, nor result in changes to mileage rates.

Base Rate Areas and OPX Outside Service

In AL 397-A, Siskiyou has proposed the elimination of Base Rate Area and OPX Outside service designations from the Rates section of the existing Schedule A-11 Tariff, along with corresponding Special Conditions section changes.

Siskiyou's proposed tariff would specifically remove the current Section A rate titled "Network Access Line Service outside Base Rate Area, replacing it with the title "Off Customer's Premises and Within Exchange Area" service designation (moving it up from Section B to Section A), and also removes the current Section C titled "Off-Customer's Premises and Outside Exchange Area", along with associated replacement text in the Special Conditions section. Hence, only the proposed Section A titled "Off-Customer's Premises and Within Exchange Area" would remain in the Rates section of the tariff.

Since the Commission previously approved the elimination of network access line mileage charges associated with Base Rate Area billings in Resolution T-15170, and the discontinuance of OPX Outside service in Resolution T-16006, Siskiyou's proposal to delete obsolete billing terms in the Rate Section of the A-11 tariff—while inserting resulting and clarifying Special Conditions text changes to the application of the remaining OPX Within service mileage rates—is consistent with prior rulings.

OPX Within Service

As currently defined, the existing OPX Within service offered in the Rates section addresses the following:

- Terminals in different buildings on the same continuous property or on non-continuous property, or
- Terminals that are on non-continuous property.

For OPX Within service the remaining Rates section offering under Section A, Siskiyou's proposed changes to the Special Conditions section would include:

- Defining mileage rates as applying to the distance measured between the customer's "primary station terminal and the customers secondary station terminal, whether on continuous property or on non-continuous property." Therefore, under OPX within service, mileage rates are now proposed to be

measured by distance between terminals rather than between base rate or special rate areas.

- Stating that mileage rates in the proposed replacement Section A are applicable in connection with the terminals of the lines(s) involved, and that no charge applies in those cases where the terminals are in the same building.
- Clarifying that a residential extension access will be furnished on business premises if it terminates on a telephone answering service. This makes the offering more flexible, as currently this provision does not exist.

CD has reviewed Siskiyou's proposed A-11 tariff against the existing tariff and confirms that the proposed OPX Within service offering for continuous and non-continuous property terminals remains the same, including the calculation of mileage rates associated with the respective locations of those terminals. Since the tariff cost remains the same for all service categories within this designation, CD staff further concludes that no customer notice of these changes is required. The proposed changes in the tariffs' terms do not make Schedule A-11 more restrictive, nor result in changes to mileage rates.

Conclusion

The elimination of the Base Rate Area and OPX Outside designation and clarification of OPX Within service mileage charges, with corresponding text changes to the Special Conditions section of the A-11 tariff, are appropriate. CD recommends Commission approval of Siskiyou AL 397.

SAFETY CONSIDERATIONS

This resolution is mainly administrative and seeks to clarify the tariff. It bears no significant impact on safety issues. As a small Incumbent Local Exchange Carrier, Siskiyou is required to adhere to all Commission rules, decisions, General Orders and statutes including Public Utilities Code § 451 by undertaking all actions "...necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public." Reliable telephone service is essential in these rural, isolated areas.

COMMENTS

Public Utilities Code section 311(g)(1) requires that a draft resolution be served on all parties, and be subject to a public review and comment period of 30 days or more, prior to a vote of the Commission on the resolution. In compliance with P.U. Code §

311(g)(1), the Commission emailed a notice letter on October 30, 2015, informing Siskiyou, of the availability of this draft resolution for comments, as well as the availability of the conformed resolution, if adopted by the Commission, on the Commission's website <http://www.cpuc.ca.gov>.

The Commission received no comments on this draft Resolution.

FINDINGS

1. Siskiyou defines a Base Rate Area as "A more closely built-up section of an exchange area in which the base rates apply without mileage charges."
2. Resolution T-15170 approved Siskiyou's Advice Letter 202 filed November 2, 1992, which proposed to eliminate network access line mileage charges associated with Base Rate Area billings.
3. Siskiyou submitted AL 396 on May 28, 2015, requesting approval to eliminate the designation "Base Rate Area" from the Schedule A-11 tariff, and to clarify the application of mileage rates to Off Customer's Premises and Within Exchange Area service in the tariff.
4. Siskiyou originally filed AL 396 under General Order (G.O.) 96-B, Telecommunications Industry Rules, Industry Rule (Industry Rule) 7.2 as a Tier 2 Advice Letter.
5. Communications Division (CD) staff reviewed AL 396 and determined that Tier 2 is not the appropriate tier for this AL as it requests a change to a term of service, which requires the AL to be submitted under G.O. 96-B, Industry Rule 7.3 Matters Appropriate to a Tier 3 Advice Letter,(Section 4), "A change by a GRC-LEC to a rate, charge, term, or condition, which change has been noticed in compliance with G.O. 96-B Industry Rules 3 and 3.3 (as applicable)."
6. On June 4, 2015, CD notified Siskiyou that AL 396 must be withdrawn and refiled as a Tier 3 AL. Siskiyou withdrew AL 396 on June 9, 2015.
7. Siskiyou submitted AL 397 as a Tier 3 AL on June 8, 2015.
8. On June 10, 2015, CD notified Siskiyou that AL 397 was suspended in abeyance of the requested September 1, 2015 tariff approval date, so that CD staff could prepare a resolution for Commission adoption.
9. In reviewing AL 397, CD found that Siskiyou needed to provide additional details regarding its request to remove billing detail designations, and specifics of proposed text changes to the Special Conditions Section for OPX Within service for the A-11

schedule. Siskiyou submitted supplemental AL 397-A on August 12, 2015 to provide additional details and clarify its request.

10. Though G.O. 96-B Industry Rule 7.3 refers to notice under G.O. 96-B Industry Rule Sections 3 and 3.3, Siskiyou states that no customer notice of these changes is required, as the proposed changes in the tariffs' terms do not make Schedule A-11 more restrictive and there are no changes to the Schedule A-11 tariff mileage rates.
11. In AL 397-A, Siskiyou has proposed the elimination of Base Rate Area and OPX Outside service designations from the Rates section of the existing Schedule A-11 Tariff, along with corresponding Special Conditions section changes.
12. Since the Commission previously approved the elimination of network access line mileage charges associated with Base Rate Area billings in Resolution T-15170, and the discontinuance of OPX Outside service in Resolution T-16006, Siskiyou's proposal to delete obsolete billing terms in the Rate Section of the A-11 tariff—while inserting resulting and clarifying Special Conditions text changes to the application of the remaining OPX Within service mileage rates—is consistent with prior rulings.
13. OPX Within service is offered in all exchange areas for extension station access or private branch exchange station access, where terminals are in different buildings on the same continuous property, or where terminals are on non-continuous property.
14. CD has reviewed Siskiyou's proposed A-11 tariff against the existing tariff and confirms that the proposed OPX Within service offering for continuous and non-continuous property terminals remains the same, including the calculation of mileage rates associated with the respective locations of those terminals. The cost remains the same for all service categories within this designation.
15. CD recommends Commission approval of Siskiyou AL 397-A.
16. Public Utilities Code section 311(g)(1) requires that a draft resolution be served on all parties, and be subject to a public review and comment period of 30 days or more, prior to a vote of the Commission on the resolution. In compliance with P.U. Code § 311(g)(1), the Commission emailed a notice letter on October 30, 2015, informing Siskiyou, of the availability of this draft resolution for comments, as well as the availability of the conformed resolution, if adopted by the Commission, on the Commission's website <http://www.cpuc.ca.gov>.
17. The Commission received no comments on this draft Resolution.

THEREFORE, IT IS ORDERED that:

1. Siskiyou Telephone Company is granted authority to:
 - a. Eliminate the “Base Rate Area” designation in the Schedule A-11 tariff;
 - b. Eliminate the Off-Customer’s Premises Outside Exchange Area service designation on the Schedule A-11 tariff;
 - c. Clarify the application of mileage rates for Off-Customer’s Premises Within Exchange Area service in the Special Conditions section of the tariff.
2. Siskiyou Telephone Company Advice Letter No. 397-A and accompanying tariff sheets shall be marked to show authorization by California Public Utilities Commission Resolution No. T-17490 and its effective date.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on December 3, 2015, the following Commissioners voting favorable thereon:

TIMOTHY J. SULLIVAN
Executive Director